

Message Text

SECRET

PAGE 01 STATE 151168
ORIGIN INR-10

INFO OCT-01 AF-10 EUR-12 NEA-11 IO-13 ISO-00 SSM-03
CIAE-00 DODE-00 PM-05 H-01 L-03 NSAE-00 PA-01
SP-02 SS-15 NSCE-00 SSO-00 ICAE-00 INRE-00 ARA-10
EA-10 ACDA-12 OMB-01 HA-05 MCE-00 MCT-01 /126 R

DRAFTED BY INR/RNA/NE:AAVACCARO:JVW
APPROVED BY INR/RNA: PJGRIFFIN
SSM:CWKONTOS
DESIRED DISTRIBUTION
SSM

-----060744 142324Z /70

P 142026Z JUN 78
FM SECSTATE WASHDC
TO USMISSION SINAI PRIORITY
INFO AMEMBASSY ABU DHABI PRIORITY
AMEMBASSY ALGIERS PRIORITY
USINT BAGHDAD PRIORITY
AMEMBASSY CAIRO PRIORITY
AMEMBASSY DOHA PRIORITY
AMCONSUL JERUSALEM PRIORITY
AMEMBASSY KUWAIT PRIORITY
AMEMBASSY LONDON PRIORITY
AMEMBASSY MADRID PRIORITY
AMEMBASSY MANAMA PRIORITY
AMEMBASSY MOGADISCIO PRIORITY
AMEMBASSY MOSCOW PRIORITY
AMEMBASSY MUSCAT PRIORITY
AMEMBASSY NICOSIA PRIORITY
AMEMBASSY NOUAKCHOTT PRIORITY
AMEMBASSY PARIS PRIORITY
AMEMBASSY RABAT PRIORITY
AMEMBASSY TEHRAN PRIORITY
AMEMBASSY TEL AVIV PRIORITY
AMEMBASSY TRIPOLI PRIORITY
AMEMBASSY TUNIS PRIORITY

SECRET

SECRET

PAGE 02 STATE 151168

AMEMBASSY SANA PRIORITY
USMISSION USUN NEW PRIORITY
TREASURY DEPARTMENT WASHDC PRIORITY 0000

S E C R E T STATE 151168

E.O. 11652: XGDS-2

TAGS: EG, IS, PINR

SUBJECT: INTSUM 585 - JUNE 14, 1978

LONDON FOR KINSOLVING
PARIS FOR NICHOLAS MURPHY
OTHER ADDRESSEES FOR CHIEFS OF MISSION

1. LEBANON. AT DAWN YESTERDAY ABOUT 600 PHALANGISTS ATTACKED THE SUMMER HOME OF LEBANESE DEPUTY TONY FRANJIYAH, THE SON OF FORMER PRESIDENT SULAIMAN FRANJIYAH, WHO IS THE DOMINANT TRADITIONAL LEADER IN NORTHERN LEBANON. THE YOUNGER FRANJIYAH, HIS WIFE, DAUGHTER AND PERHAPS 35 OTHERS WERE KILLED IN THE FIGHTING, WHICH INVOLVED THE USE OF HEAVY ARTILLERY. SYRIAN UNITS OF THE ARAB DETERRENT FORCE HAVE BEEN MOVED INTO THE AREA TO RESTORE ORDER.

2. THIS INCIDENT IS MORE THAN JUST A CLASH BETWEEN RIVAL CHRISTIAN FACTIONS. IT IS LIKELY TO EFFECT SYRIAN-LEBANESE RELATIONS, THE STABILITY OF THE SARKIS GOVERNMENT, AND THE BASIC FABRIC OF CHRISTIAN LEBANESE SOCIETY. ON THE LATTER POINT, THROUGHOUT THE CIVIL WAR, A FUNDAMENTAL DIFFERENCE BETWEEN THE MUSLIM AND CHRISTIAN LEBANESE WAS THE ABILITY

SECRET

SECRET

PAGE 03 STATE 151168

OF THE TRADITIONAL CHRISTIAN LEADERSHIP TO RETAIN CONTROL OF ITS COMMUNITY. THE TRADITIONAL MUSLIM LEADERSHIP WAS ECLIPSED BY THE STREET WARRIORS WHO WERE ABLE TO EXPRESS THE INTERESTS OF THE MUSLIM COMMUNITY.

3. FOR THE TRADITIONAL CHRISTIAN LEADERS THE END OF THE CIVIL WAR PRESENTED A MORE DIFFICULT SITUATION THAN THE FIGHTING ITSELF. ONCE THE WAR WOUND DOWN, THE LEADERSHIP OF THE CHRISTIAN COMMUNITY BEGAN TO LOSE THE CONFIDENCE OF THE RANK-AND-FILE.

4. THE PRIMARY BENEFICIARY OF THIS FEELING OF ALIENATION APPEARS TO BE THE PHALANGE, THE LARGEST OF THE CHRISTIAN PARTIES. THE REASONS FOR THE PHALANGE SUCCESS ARE:

(A) THE PARTY ORGANIZATION IS MORE RESPONSIVE TO POPULAR DEMANDS THAN THAT OF OTHER CHRISTIAN PARTIES;

(B) A LOWER MIDDLECLASS FOLLOWING WHICH STRONGLY SUPPORTS THE PHALANGIST VIRULENT LEBANESE NATIONALISM;

(C) A STRONG PARTY ORGANIZATION AND A PROVEN ABILITY TO

DEFEND CHRISTIAN INTERESTS; AND

(D) A LEADERSHIP, EPITOMIZED BY BASHIR GEMAYEL, WITH WHICH MOST WORKING CLASS LEBANESE CAN IDENTIFY.

5. IN A PRACTICAL SENSE, THE GROWTH OF PHALANGE INFLUENCE HAS BEEN AT THE EXPENSE OF SOME OF THE MOST POWERFUL TRADITIONAL CHRISTIAN LEADERS. RAYMOND EDDE, FOR EXAMPLE, HAS NOT BEEN ABLE TO RETURN TO HIS HOME VILLAGE FOR MORE THAN TWO YEARS. PHALANGE INROADS INTO THE STRONGHOLDS OF OTHER LEADERS HAVE LED TO MANY RECENT CLASHES. BASHIR GEMAYEL HAS SPOKEN OF THIS PROCESS AS A "REVOLUTION."

6. FRANJIYAH AND HIS CLOSE ADVISORS SEEM TO HAVE UNDER-SECRET

SECRET

PAGE 04 STATE 151168

ESTIMATED THE STRENGTH OF THE PHALANGE IN NORTHERN LEBANON. HE HAS CALLOUSLY DISREGARDED THE WISHES OF A MAJORITY OF HIS FOLLOWERS BY NOT ATTENDING LEBANESE FRONT MEETINGS AND BY SUPPORTING SYRIAN ACTIONS IN LEBANON DESPITE WIDESPREAD CHRISTIAN OPPOSITION. BECAUSE OF THE MILITARY PREPONDERANCE OF THE PHALANGE IN THE CHRISTIAN COMMUNITY, FRANJIYAH WILL BECOME INCREASINGLY DEPENDENT ON THE SYRIANS IF HE IS TO PRESERVE HIS POSITION.

7. SYRIAN FORCES IN ZGHORTA AND IHDIN ARE NOW PROTECTING FRANJIYAH SUPPORTERS. THIS ACTION COULD LEAD TO CLASHES BETWEEN THE SYRIANS AND THE PHALANGE OR OTHER CHRISTIAN GROUPS. THREE SYRIANS ALREADY HAVE BEEN KILLED. AT THE VERY LEAST, A GREATER SYRIAN ROLE IN CHRISTIAN LEBANON IS LIKELY FURTHER TO STRAIN LEBANESE/SYRIAN RELATIONS.

8. THE PHALANGE/FRANJIYAH INCIDENT PRESENTS EVEN GREATER PROBLEMS FOR SARKIS IN DEPLOYING THE LEBANESE ARMY TO SOUTH LEBANON. FEW CHRISTIAN SOLDIERS WOULD GO TO THE SOUTH IF FURTHER CLASHES WITH CHRISTIANS OR SYRIANS SEEMED LIKELY. THEY WOULD WANT TO REMAIN NEAR HOME TO PROTECT THEIR OWN FAMILIES.

9. MEANWHILE, ISRAELI FORCES COMPLETED THEIR WITHDRAWAL FROM SOUTH LEBANON YESTERDAY. THE IDF TURNED OVER MOST OF ITS POSITIONS TO MAJOR HADDAD'S LEBANESE FORCES. IN A STATEMENT TO THE PRESS, HADDAD SAID THAT UN TROOPS WOULD BE ALLOWED TO PATROL CHRISTIAN-HELD VILLAGES. "WE ARE IN CONTROL OF THE AREA AND THE UN IS HELPING," HE DECLARED. HADDAD'S SOLDIERS WERE SAID TO BE CHECKING UN PASSES. THE "GOOD FENCE" REMAINED OPEN. MANY LEBANESE VILLAGERS APPEARED DISAPPOINTED TO SEE THE ISRAELIS WITHDRAW. (SECRET)

SECRET

SECRET

PAGE 05 STATE 151168

10. OPEC. PRESSURE AMONG OPEC MEMBER STATES IS INCREASING FOR A PRICE HIKE AT THE OPEC MINISTERIAL CONFERENCE SLATED TO BEGIN SATURDAY IN GENEVA. SAUDI PETROLEUM MINISTRY OFFICIAL HERZALLAH TOLD OUR CONSUL GENERAL IN DHAHRAN THAT THE SAUDIS ARE UNDER BUILDING PRESSURE TO AGREE TO A NEW PRICING FORMULA. OPINION IN MOST OPEC COUNTRIES, HE SAID, AGREES THAT THE PRESENT OIL PRICE SYSTEM MUST CHANGE TO COMPENSATE FOR THE DECLINING DOLLAR. THE KUWAITI MINISTER OF OIL, SHAYKH KHALIFA, STRESSED THE IMPORTANCE OF A COMPENSATORY PRICE HIKE IN A STATEMENT PUBLISHED YESTERDAY IN A KUWAITI NEWSPAPER. NEVERTHELESS, CONTINUED PRICE FREEZE IS THE MOST LIKELY RESULT OF THE OPEC OIL MINISTERS' CONFERENCE.

11. OPEC NOW FACES A MASSIVE MARKET OVERSUPPLY OF UP TO THREE MILLION BARRELS PER DAY. MANY OF ITS MEMBERS, THEREFORE, ARE PUBLICLY OR PRIVATELY CUTTING PRICES. THIS COMPETITION POSES A CONSIDERABLE THREAT TO OPEC COHESION BUT A HIKE IN THE PRICE OF MARKET CRUDE WOULD ONLY AGGRAVATE THE OVERSUPPLY CONDITIONS THAT HAVE LED TO THE PRICE REDUCTIONS.

12. KUWAIT, IRAN, AND IRAQ HAVE CUT PRICES SEVERAL TIMES THIS YEAR IN AN EFFORT TO BOLSTER DECLINING SALES. MOST OF THE PRICE REDUCTIONS, HOWEVER, HAVE BEEN MADE BY THE MAIN AFRICAN LIGHT-CRUDE EXPORTERS. THESE "MINI-OPEC" PRODUCERS--ALGERIA, LIBYA, AND NIGERIA--ARE PLANNING TO MEET PRIOR TO THE GENEVA CONFERENCE TO COORDINATE THIRD QUARTER PRICING.

13. IN ADDITION TO SHAVING PRICES, SOME GULF PRODUCERS HAVE BEEN LIMITING EXPORTS IN AN ATTEMPT TO REDUCE THE OVERSUPPLY. THE UAE HAS REDUCED PRODUCTION BY THE LARGEST PERCENTAGE, BUT SAUDI ARABIA'S REDUCTION BY MORE THAN A MILLION BARRELS PER DAY COMPARED TO THE SAME PERIOD IN

SECRET

SECRET

PAGE 06 STATE 151168

1977 IS THE MOST SIGNIFICANT. SAUDI ARABIA HAS TRADITIONALLY BEEN WILLING TO ABSORB UP TO HALF OF OPEC'S CUTBACKS, BUT ITS RESTRAINT HAS LIMITS: ITS MARCH EXPORTS OF 7.3 MILLION B/D SURGED TO 7.9 MILLION B/D IN APRIL.

14. WHILE THERE IS VIRTUALLY NO CHANCE OF A PRICE RISE AT THE JUNE OPEC MEETING, THE SAUDIS ARE UNDER CONSIDERABLE

PRESSURE FROM OTHER OPEC MEMBERS TO AGREE TO A HIKE AS SOON
AS ONE IS FEASIBLE. CONSEQUENTLY, THE DECISION FOR 1979,
WHICH WILL BE TAKEN AT THE OPEC MEETING AT THE END OF THIS
YEAR, WILL BE BASED ON OPEC'S SUCCESS IN REDUCING OVER-
SUPPLY AND THE EXTENT TO WHICH DEMAND HAS INCREASED.
(ONFIDENTIAL) CHRISTOPHER

SECRET

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLITICAL SITUATION, POLITICAL SUMMARIES, INTELLIGENCE ASSESSMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE151168
Document Source: CORE
Document Unique ID: 00
Drafter: AAVACCARO:JVW
Enclosure: n/a
Executive Order: X2
Errors: N/A
Expiration:
Film Number: D780249-0282
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780659/aaaabyva.tel
Line Count: 230
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c078e888-c288-dd11-92da-001cc4696bcc
Office: ORIGIN INR
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 31 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2349374
Secure: OPEN
Status: NATIVE
Subject: INTSUM 585 - JUNE 14, 1978 LONDON FOR KINSOLVING PARIS FOR NICHOLAS MURPHY
TAGS: PINR, EG, IS, XF
To: SINAI
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/c078e888-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014